There is no budget provison for this item of work and so an additional allotment of Rs. 1,900 is necessary this year The details of the amount are appended to the notes of the Standing Finance Committee which have been circulated. I request the House may be pleased to sanction the grant.

Demand put and carried

2. 4-Co-operative Societies-Miscellaneous—Rs. 2,189-0-0.

Rama Varmha Tampuran:— Sir, I rise to move for an additional allotment of Rs. 2,189 under 4-Co-operative Societies Miscellaneous. This is the amount that is additionally required to meet the expenses in connection with the enquiry that is now being conducted by Mr. Devadhar into the Co-operative movement. I request the House may be pleased to vote the grant.

Mr. E. Ikkanda Warriar:--May I know whether there is any agreement as regards the amount to be given to Mr. Devadhar?

Rama Varmha Tampuran:— There has been an understanding on that point. He will be given a bonus of Rs. 1,000 His expenses will be met by the State and he will be treated as a State guest ; and he will also receive T. A. under certain rules.

Mr. A. Sankara Poduval:—May I know when the enquiry is expected to be completed ?

Rama Varmha Tampuran:— By the end of January 1935.

Demand put and carried.

3. Excise-Temporary Establishment—Rs. 1,712.

Mr. M. P. Cherian:— Sir, I rise to move for an additional allotment of Rs. 1,712 under 7-Excise-Temporary Establishment. The Madhes (Excise Duty) Regulation and rules issued under it imposed additional duties on the field-staff and the Office of my department. The following staff had therefore to be sanctioned temporarily till the end of the current year, 1110. The expenditure under the item comes to Rs. 1,712. One clerk on 40-60, 2 petty officers on Rs. 25, 2 petty officers on Rs. 20, 3 peons on Rs. 12 and 3 peons on Rs 11. As it is not possible to meet the expenditure by transfer, an amount of Rs. 1,712 has to be sanctioned by way of additional allotment. I request the House may be pleased to sanction the allotment.

Motion No. 1.

Mr. Joseph Pettah:—To reduce the allotment by Re. 1. *To point out to the Government some of the hardships caused to the*

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small scale manufacturers of matches by the working of the Matches Excies Duty Regulation. Sir, I move to reduce the allotment by Re. 1. My intention is to point out to the Government some hardships which the small scale manufacturers of matches are suffering consequent on the working of the Matches Excise Duty Regulation. In the very first place what I want to place before the House is that most of our concerns—the match manufacturing concerns of Cochin—are small scale industries when compared with the big concerns elsewhere in India. They command huge amounts of capital and these concerns are nowhere when compared to them. And secondly they are only very few in number and are just trying to establish themselves on a sound footing. Now any impost involving any large additional investment of capital will be a great hardship to these manufacturers and it will be a relative handicap compared to the big manufacturers elsewhere.

Now the purchase of banderols involves a huge advance or an additional investment of money and it comes to even 200 per cent of the cost of actual manufacture of matches; for even on a gross of matches costing 8 or 9 annas the duty comes to Re. 1. So it is nearly 200 per cent. Of the actual cost that the manufacturers have to meet by way of investment on the banderols. This is a very serious handicap for small concerns who cannot find the necessary amount of capital and therefore in the competition they suffer. Now it is true that so far as the purchase of banderols is concerned a concession is given by the Government that the banderols will be supplied on credit provided sufficient security is given. So far so good. But they have to pay the amount the moment the matches are issued out of the factory. Now we know that they do not realise the money then and there. In the trade world sales take place on credit and according to the commercial conventions at least a month's time is given for the purchaser to pay the money. Now it comes to this. The owners of these small scale concerns have to find money for the purchase of banderols one month before the time they can actually realise the price. Now my contention is that at least one month's time may be given to the manufacturers from the date of the issue of the matches from the factory. One month's time may be given for remitting the price of the banderols from the date the matches are issued out of the factory. The Government are not in any way losers because they have already taken security from the manufacturers and on the same security they can be given an extended time of one month after the issue of the banderols. And then it will not work any hardship. This will be a great favour

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which will put them on an equal footing with the huge capitalists elsewhere.

The second point that I want to bring to the notice of the Government is this. According to the rates charged now the duty is the same on high class and low class matches, which means that on account of the duty the price of the low grade matches has increased by 300 per cent, while on the high class it is only 30 per cent or so. Figures will illustrate my point. Take the case of a gross of matches costing 9 annas. You charge Re. 1 on it by way of excise duty. The cost plus the duty comes to Re. 1-9-0, which is nearly three-fold increase whereas in the case of high grade matches costing Rs. 2 per gross the duty charged is the same and total cost is only Rs. 3 Here in the first case the increase is nearly three-fold, whereas in the second it is only 50 per cent. This is a very serious check to the sale of low grade matches. My point is here in Cochin, we manufacture only low grade matches. Our concerns are small and cannot manufacture matches of a superior quality. Therefore to tax the low and the high grade matches at the same rate is against all canons of taxation. Something has to be considered also with regard to the price of the things that are taxed. Now this is a specfiic tax based on the quantity alone. The distinction in price has also to be taken into consideration when the distinction is a big one. A distinction of 8 as. on the one side and Rs. 2 on the other is surely a great thing. Elsewhere in India the matches manufactured are of a superior grade and they will not suffer much by this taxation whereas here all the matches manufactured are of a low grade. What I say is that there should not be any unfairness in competition between the high grade manufacturers and low grade manufacturers. It is only to bring these facts to the notice of the Government that I moved this motion

Mr. M. P. Cherian:— Under the existing rules the cost of the banderols ordinarily is to be paid beforehand. But there is provisions made in the rules for issuing banderols on credit if the manufacturers furnish security. The price is to be paid when the matches are issued from the factory. Now on my recommendation the Government have allowed one month's time to the manufacturers for payment after the issue. I suggested that it would be hard to insist on payment at the time of the issue. One month's time has been granted and it will be granted only if there is any necessity.

As regards the rate of duty it is very difficult to differntiate between the high grade and the low grade matches. Who is to decide whether one kind is lower or higher?

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We want good matches and people will appreciate only good matches. It is not easly practicable to make any distinction between these two. One cannot say that all the matches made in Cochin are of a lower grade. They do not make any distinction whatever in British India also. They charge a uniform rate. We cannot say that the matches made in Br. India are only of higher grade. I hope the Hon'ble Member will withdraw his cut motion.

Dr. A. R. Menon:—It is not a fact that you have to follow a uniform rule throughout India?

Mr. M. P. Cherian:—We are following a uniform rate.

Mr. Paul Mampilli:—From what the Hon'ble Member for Excise was saying it would appear that the Government is allowing a loan and the Government insists that the amount should be paid back to the Government after one month. What the Hon'ble mover wants is that the amount should be made repayable only one month after the stock is sold from the factory.

Mr. M. P. Cherian:—They can be given time to remit the amount one month after the issue of the matches from the factory.

Mr. Joseph Pettah:—So far as the first point is concerned, I am very glad that the Government are contemplating to effect some relief by collecting the amount only one month after the issue of matches from the factory. Then with regard to the other point I do not think that it is so impracticable. There are two kinds of duties, one the specific duty and the other *ad-valorem* duty, i. e. duty according to the value. When a duty is imposed the value of the things made should also be considered. Then there will be no difficulty in charging a differential rate. To charge a rate of Re. 1 on a gross of matches costing 9 as. and the same duty on a gross costing Rs. 2 seems to me, on the very face of it, iniquitous. Between the two there is no comparison. Practically we should take into consideration the value of the things that are taxed and not merely the quality, value and number. Therefore from the point of view of practicability, I do not think there will be much difficulty. If the concession is given I understand some modification of the rules may be necessary. It is to urge upon the attention of the Government to do whatever is necessary to give some relief to the small scale manufacturers in the State that I have tabled this cut motion. The matter has been brought to the notice of the Government and if it involves any amendment of the rules or the Regulation it will not be too much when we consider that this is an industry which is new in this State and

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has to be given every encouragement possible. Pressing this to the attention of the Government I wish to withdraw the motion.

Motion was, with leave, withdrawn.

Demand put and carried.

4—16A Law Officers—Office expenses and miscellaneous—Rs. 200.

Mr. Thomas Manjuran:— Sir, I beg to move for a supplementary grant of Rs. 200 under 16 A Law Officers-Office expenses and miscellaneous. The amount that was budgetted for the office expenditure was found to be rather inadequate and it was noticed during the course of the year that the Trichur Sirkar Vakil and the Anjikaimal Sirkar Vakil wants to purchase some books and furniture. The grant for the purchase of law books for the Government Advocate's library was also found to be inadequate. Hence this motion for a grant of Rs. 200. the bulk of which is to be distributed between the two Sirkar Vakils. I request that the grant may be allowed.

Mr. K. M. Ibrahim:—I had tabled an adjournment motion.

President:-That will be considered after this is disposed of.

Mr. K. M. Ibrahim:—I was first prepared for the adjournment motion and if the President allows, it may be taken up now. I may have to explain the urgency even in the initial stage.

President:— The time for the adjournment motion is at 3 o'clock and with regard to the admissibility of the motion we will deal after this business is over.

Motion No. 1.

Mr. K. M. Ibrahim — To reduce the allotment by Re. 1. *(The policy adopted by the Government in some of the recent appointments in the Department.)* സർ, "16. A ലാ ആഫീസേഴ്സ്— ആഫീസു ചിലവുകളും പലവകകളും" എന്നുള്ള ഇനത്തിൽ ആവശ്യപ്പെട്ടിട്ടുള്ള 200 ഉറുപ്പികയിൽ നിന്നും ഒരു ഉറുപ്പിക കുറയ്ക്കണം എന്ന് ഞാൻ ഒരുപക്ഷേപം അവതരിപ്പിക്കുന്നു.

ഈയിടെ നിയമഡിപ്പാർട്ടുമെൻറിൽ ഉണ്ടായിട്ടുള്ള ചില നിയമനങ്ങളിൽ പ്രതിബിംബിതമായ ഗവണ്മെൻറിൻെറ നയത്തെക്കുറിച്ചു ചിലവിമർശനങ്ങൾ ചെയ്യുന്നതിനുള്ളതാണ് എൻെറ ഉപക്ഷേപത്തിൻെറ കാരണമെന്ന് ഞാൻ ഉപക്ഷേപത്തിൽ പ്രസ്താവിച്ചു കഴിഞ്ഞു. ഈ നിയമനടയിൽ ചോദ്യങ്ങൾ വഴിയായും, ഉപക്ഷേപങ്ങൾ വഴിയായും, റസല്യൂഷനുകൾ, ബില്ലുകൾ മുതലായവ വഴിയായും അനുദ്യോഗസ്ഥസമാജിക

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